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U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

DEPUTY

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

January 2010 Grand Jury

UNITED STATES OF AMERICA,

Case No.

**'11 CR 21 52 JLS**

Plaintiff,

I N D I C T M E N T

v.

CARMEN TEPPER (1),  
DENISE MASTRO (2),  
TEPPER TECHNOLOGIES, INC. (3)

Defendants.

Title 18, U.S.C., Sec. 371 -  
Conspiracy to Defraud the  
United States and to Make False  
Statements Under Penalty of  
Perjury in Documents Required by  
Immigration Law; Title 18, U.S.C.,  
Sec. 1546 - Making False Statement  
Under Penalty of Perjury in  
Document Required by Immigration  
Law; Title 18, U.S.C., Sec. 982 -  
Criminal Forfeiture

The grand jury charges:

GENERAL ALLEGATIONS

At all times relevant to this indictment:

The Immigration Framework

1. Any person in the United States who was not a citizen or  
national of the United States was an alien.

2. An alien legally admitted to enter and remain in the United  
States for a temporary duration of time was a nonimmigrant alien.

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1        3. One avenue by which a nonimmigrant alien could legally enter  
2 the United States was by obtaining an F-1 visa. An F-1 visa was  
3 available to an alien having a residence in a foreign country which  
4 he or she had no intention of abandoning, who was a bona fide student  
5 qualified to pursue a full course of study, and who sought to enter  
6 the United States temporarily and solely for the purpose of pursuing  
7 such a course of study at an established academic program, including  
8 a language training program, in the United States.

9        4. The Department of State ("DOS") was an agency of the  
10 executive branch of the Government of the United States. The  
11 Department of State ("DOS") issued various classes of visas necessary  
12 for an alien to lawfully enter into, and remain in the United States,  
13 including student (F-1) visas.

14        5. The Department of Homeland Security ("DHS") was an agency  
15 of the executive branch of the Government of the United States. The  
16 Department of Homeland Security ("DHS") had jurisdiction over the  
17 adjudication of applications by nonimmigrant aliens for F-1 visas in  
18 order to lawful enter into, and remain in, the United States; for  
19 maintaining accurate records of nonimmigrant aliens with F-1 visas;  
20 for monitoring that nonimmigrant aliens with F-1 visas maintained  
21 their status to legally remain in the United States; and for removing  
22 nonimmigrant aliens with F-1 visas from the United States who failed  
23 to maintain their status (were "out of status").

24        6. Immigration and Customs Enforcement, a component of DHS,  
25 administered the issuance of F-1 visas through its Student and  
26 Exchange Visitor Program ("SEVP"). SEVP was designed to help DHS and  
27 DOS monitor schools that admitted aliens with certain classes of  
28 visas, including F-1 visas, and the students who obtained such visas.

1       7. SEVP used the Student and Exchange Visitor Information  
2 System ("SEVIS"), an internet website system, to communicate with,  
3 track, and monitor academic institutions, including language training  
4 programs, that admitted aliens with certain classes of visas,  
5 including F-1 visas, as well as students and their dependents who  
6 obtained such visas.

7       8. The process by which a nonimmigrant alien obtained an  
8 F-1 visa began by the alien applying to a United States government  
9 approved school, including one offering a language training program,  
10 in the United States. If accepted, the school provided the alien a  
11 Form I-20, Certificate of Eligibility for Non-Immigrant (F-1) Student  
12 Status - For Academic and Language Students ("Form I-20"). A  
13 Form I-20 was required in order for the alien to obtain an F-1 visa  
14 allowing them to enter the United States.

15       9. The issuance of Form I-20s, and the entrance into SEVIS of  
16 current information on foreign students who received Form I-20s, was  
17 the responsibility of a Designated School Official ("DSO"). A DSO was  
18 defined by United States regulations as a regularly employed member  
19 of the school administration whose office is located at the school and  
20 whose compensation does not come from commissions for recruitment of  
21 foreign students. A primary DSO ("PDSO") was responsible for updating  
22 SEVIS to reflect the addition or deletion of any DSO at his or her  
23 school.

24       10. The first time a DSO accesses SEVIS, he or she must agree  
25 with a compliance statement indicating that they have read and will  
26 comply with certain regulations at all times, including 8 CFR 214.2(f)  
27 and 214.3.

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1        11. In order for a school, including a language training  
2 program, to have received approval to enroll F-1 students, it must  
3 have been certified by SEVP to do so. The certification process was  
4 initiated by a school filing a Form I-17, Petition for Approval of  
5 School for Attendance by Nonimmigrant Student ("Form I-17"), through  
6 SEVIS, and paying a fee. Separate petitions were required for new  
7 campuses in the same school system. The Form I-17 listed the  
8 individuals the school wanted to become DSOs.

9        12. The Form I-17, Supplement A ("Form I-17A"), included the  
10 names, titles, and signatures of each DSO. The Form I-17A, required  
11 each DSO to certify that he or she was familiar with, among other  
12 things, regulations relating to nonimmigrant students, including  
13 8 CFR 214.1 and 8 CFR 214.2(f), and regulations relating to school  
14 approval and withdrawal of school approval, namely 8 CFR 214.3 and  
15 214.4, and affirming the official's intent to comply with these  
16 regulations. An individual who became a DSO after the submission of  
17 the Form I-17 was required to make the same certification. The  
18 president, owner, or head of the school was also required to verify  
19 the DSOs identities, and that they would be responsible for providing  
20 the resources and training necessary for the DSOs to properly  
21 implement the referenced regulations.

22        13. Once a school, including a language training program, was  
23 certified by SEVP, it has the ability to issue Form I-20s directly to  
24 prospective alien students.

25        14. Once the Form I-20 was issued to an alien wishing to enter  
26 and remain in the United States to attend a United States school,  
27 including a language training program, the nonimmigrant alien  
28 presented himself or herself along with the Form I-20 and supporting

1 financial documentation to a United States Consulate abroad and  
2 applied for issuance of an F-1 student visa.

3 15. After the alien was issued an F-1 student visa at a  
4 Consulate abroad, he or she then presented himself or herself at a  
5 port of entry in the United States and was admitted as an F-1 student  
6 for "duration of status."

7 16. "Duration of status" was defined by 8 CFR 214.2(f)(5) as the  
8 time during which an F-1 student is pursuing a "full course of study"  
9 at an educational institution, including a language training program,  
10 approved by SEVP for attendance by alien students.

11 17. The Form I-20 required for an alien student to receive an  
12 F-1 visa contained the student's biographical information, the school  
13 and program he or she had been accepted to attend, the report date and  
14 length of the program, and proof that the student had necessary funds  
15 to live and study in the United States without working or suffering  
16 from poverty.

17 18. Pursuant to 8 CFR § 214.2(f)(2), an F-1 student was required  
18 to safekeep the initial I-20 and any subsequent copies which had been  
19 issued to him or her.

20 19. Pursuant to 8 CFR 214.3(k), a DSO was required to sign a  
21 completed I-20 issued by his or her school. The Form I-20 required  
22 the DSO to certify under penalty of perjury that the information on  
23 it was true. The DSO also certified under penalty of perjury that  
24 "the student will be required to pursue a full course of study as  
25 defined by 8 CFR 214.2(f)(6)." Also, a Form I-17 required a school  
26 official to certify that, if approved, the school would keep a  
27 photocopy of each F-1 student's I-20.

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1        20. 8 CFR 214.2(f)(6)(i)(D) defined a "full course of study,"  
2 for purposes to include the definition of "duration of status," and  
3 the DSO's certification under penalty of perjury on a Form I-20, with  
4 regards to a "language, liberal arts, fine arts, or other  
5 nonvocational training program" to be "certified by a designated  
6 school official to consist of at least eighteen clock hours of  
7 attendance a week if the dominant part of the course of study consists  
8 of classroom instruction."

9        21. Pursuant to 8 CFR 214.2(f)(1)(iii), SEVP approved schools,  
10 including language training programs, were required to issue a new  
11 Form I-20 to any current student requiring a "reportable action," such  
12 as extensions of the time the student was authorized to stay in the  
13 United States beyond the completion date indicated on a previous I-20,  
14 reducing the required course load below a full course of study, or  
15 transferring to a new school, including a new campus within a school  
16 system.

17        22. Pursuant to 8 CFR 214.2(f)(6)(iii), a student who dropped  
18 below a full course of study without the prior approval of a DSO, was  
19 "out of status."

20        23. Pursuant to 8 CFR 214.2(f)(6)(iii), a DSO could only allow  
21 an F-1 student to engage in less than a full course of study, for:  
22 1) academic difficulties; 2) medical conditions; or 3) at the end of  
23 a course of study if fewer courses were needed to complete the course  
24 of study. In these cases, the DSO could authorize the student to  
25 engage in half the clock hours required for a full course of study.  
26 In order for a DSO to so authorize, the DSO had to update SEVIS prior  
27 to such a reduction.

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1       24. Pursuant to 8 CFR 214.3(g)(2)(iii)(A), for each term or  
2 session, and no later than thirty days after the deadline for  
3 registering for classes, schools, including language training  
4 programs, enrolling F-1 students were required to report, for each  
5 F-1 student, certain events, including whether the student dropped  
6 below a full course of study without prior authorization by a DSO.

7       25. Pursuant to 8 CFR 214.3(g)(2)(ii), a school, including a  
8 language training program, that enrolled F-1 students was required to  
9 report through SEVIS within 21 days any student who had failed to  
10 maintain status or complete his or her program.

11       26. Pursuant to SEVP's policy, a DSO at a school, including a  
12 language training program, that enrolled F-1 students, was required  
13 to terminate a student in SEVIS when it became known that the student  
14 had violated the terms of his or her status by dropping below a full  
15 course of study without prior authorization by a DSO.

16       27. An F-1 student who was out of status, including for failure  
17 to maintain a full course of study without prior DSO approval, was  
18 removable from the United States.

19                   Defendants and Other Entities

20       28. The San Diego International Academy of English ("SDIAE") is  
21 a school in and around San Diego, California, that teaches English as  
22 a second language ("ESL"), mainly to nonimmigrant aliens who obtain  
23 F-1 (student) visas to attend the school. The dominant part of the  
24 course of study at SDIAE consisted of classroom instruction. San  
25 Diego International Academy of English ("SDIAE") is owned by  
26 defendant TEPPER TECHNOLOGIES, INC.

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1        29. Southern States University ("SSU") is a private university  
2 in and around San Diego, California, that offers bachelorette and  
3 masters degree programs, and also has students who are enrolled in an  
4 ESL program, including nonimmigrant aliens who obtain F-1 visas to  
5 attend the school. The dominant part of the course of study at SSU  
6 consisted of classroom instruction. SSU is owned by defendant  
7 TEPPER TECHNOLOGIES, INC.

8        30. San Diego International Academy of English ("SDIAE") and  
9 Southern States University ("SSU") operate at the same site in two  
10 locations in and around San Diego, California, including, 6950 Friars  
11 Road, Suite 200, San Diego, California, and 3252 Holiday Court, Suite  
12 111 and 116, La Jolla, California. San Diego International Academy  
13 of English ("SDIAE") also operates at 1727 and 1729 5th Avenue,  
14 San Diego, California, and operated, at times, at 3445 Midway, San  
15 Diego, California. Southern States University ("SSU") also operates  
16 at 919 Garnet Avenue, Suite 207, San Diego, California, and 340  
17 Rancheros Drive, Suite 260, San Marcos, California. San Diego  
18 International Academy of English ("SDIAE") and Southern States  
19 University ("SSU") advertise that they are in partnership with each  
20 other.

21        31. San Diego International Academy of English ("SDIAE") and  
22 Southern States University ("SSU"), at all of the campuses listed in  
23 the preceding paragraph, except the La Jolla, California SSU campus,  
24 have been certified by SEVP to issue Form I-20s to nonimmigrant aliens  
25 so that those aliens may enter and remain in the United States via an  
26 F-1 visa in order to attend the schools.

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32. Defendant CARMEN TEPPER is an owner of defendant TEPPER TECHNOLOGIES, INC., the chairman of the board of directors for defendant TEPPER TECHNOLOGIES, INC., the president of defendant TEPPER TECHNOLOGIES., INC., and an employee of SDIAE and SSU.

33. Defendant DENISE MASTRO is an employee of SDIAE and SSU.

Count 1

(18 U.S.C. § 371)

34. Paragraphs 1 through 33 of the General Allegations of this Indictment are realleged and incorporated by reference as though fully set forth herein.

35. Beginning at an unknown date, but no later than in or around December 2004, and continuing thereafter until May 26, 2011, within the Southern District of California, and elsewhere, defendants CARMEN TEPPER, DENISE MASTRO, and TEPPER TECHNOLOGIES, INC., did knowingly and intentionally conspire and agree with each other, and with other persons both known and unknown to the grand jury:

(A) to defraud the United States, and

(B) to commit offenses against the United States in violation of Title 18, United States Code, Section 1546(a), that is, to knowingly subscribe as true under penalty of perjury, as permitted under Section 1746 of Title 28, United States Code, a false statement with respect to a material fact in an application and other document required by the immigration laws and regulations prescribed thereunder, that is, in a Form I-20, Certificate of Eligibility for Nonimmigrant (F-1) Student Status - For Academic and Language Students.

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36. It was a part of the conspiracy that defendants CARMEN TEPPER, DENISE MASTRO, and TEPPER TECHNOLOGIES, INC., would defraud the United States by interfering with and obstructing the lawful governmental functions of DHS, that is, the maintenance of accurate records of nonimmigrant aliens with F-1 visas, monitoring that nonimmigrant aliens with F-1 visas maintained their status to legally remain in the United States, and removing from the United States nonimmigrant aliens with F-1 visas who failed to maintain their status (were "out of status"), by failing to terminate in SEVIS F-1 students at SDIAE and SSU who violated the terms of their status by dropping below a full course of study without a DSO's prior approval, all by deceit, craft and trickery and by means that are dishonest.

### PURPOSE OF THE CONSPIRACY

37. The purpose of the conspiracy was for the defendants CARMEN TEPPER and DENISE MASTRO to unjustly enrich themselves by defrauding the United States by not terminating in SEVIS F-1 students at SDIAE and SSU who violated the terms of their status by dropping below a full course of study without a DSO's prior approval, and by issuing Form I-20s to nonimmigrant aliens containing false and fraudulent certifications that the aliens would be required to take a full course of study at SDIAE and SSU, despite defendants CARMEN TEPPER and DENISE MASTRO knowing that the nonimmigrant aliens would not be required to attend a full course of study as required by federal laws and regulations, in order for the aliens to obtain and maintain F-1 student visas to attend SDIAE and SSU, allowing the schools to collect tuition payments from the nonimmigrant aliens.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants CARMEN TEPPER and DENISE MASTRO sought to accomplish the purpose of the conspiracy included, among other things, the following:

38. The defendants CARMEN TEPPER and DENISE MASTRO on behalf of SDIAE and SSU, filled out Form I-17 applications with the Department of Homeland Security to have SDIAE and SSU approved to issue Form I-20s to nonimmigrant alien students. As part of the application process, the defendants CARMEN TEPPER and DENISE MASTRO stated that they were familiar with pertinent federal regulations related to nonimmigrant students, including 8 CFR 214.2(f), and regulations related to school approval and withdrawal of school approval, including 8 CFR 214.3, and that they intended to comply with those regulations.

39. Defendant DENISE MASTRO, and others, issued Form I-20s to nonimmigrant aliens, which the nonimmigrant aliens used to obtain F-1 student visas from the United States Department of State.

40. On the Form I-20s, defendant DENISE MASTRO and others, would falsely and fraudulently subscribe as true under penalty of perjury that the students would be required to pursue a full course of study as defined by federal regulations.

41. San Diego International Academy of English ("SDIAE") and Southern States University ("SSU") would receive tuition payments from nonimmigrant aliens who received F-1 visas based on Form I-20s issued by SDIAE and SSU, despite the fact that, as defendants CARMEN TEPPER and DENISE MASTRO knew at the times the I-20s were issued, the nonimmigrant aliens would not be required to pursue a full course of study.

1       42. Despite federal regulations requiring them to report to SEVP  
2 F-1 students' violations of the requirement to pursue a full course  
3 of study, at each term or session, and no later than thirty days after  
4 the deadline for registering for classes, the defendants CARMEN TEPPER  
5 and DENISE MASTRO would fail to report to SEVP that many F-1 students  
6 at SDIAE and SSU were not pursuing a full course of study without  
7 approval to do so.

8       43. Despite federal regulations requiring them to report to SEVP  
9 within 21 days any F-1 student who had failed to maintain status, the  
10 defendants CARMEN TEPPER and DENISE MASTRO would fail to report to  
11 SEVP that many F-1 students at SDIAE and SSU failed to maintain  
12 status.

13       44. Despite being required to do so by SEVP regulations,  
14 defendants CARMEN TEPPER and DENISE MASTRO would not terminate  
15 F-1 students' I-20 in SEVIS who violated the terms of their status by  
16 dropping below a full course of study without a DSO's prior approval.

17       45. The defendants CARMEN TEPPER and DENISE MASTRO failed to  
18 report to DHS that many nonimmigrant aliens with F-1 visas were not  
19 pursuing a full course of study at SDIAE and SSU, by failing to  
20 terminate such nonimmigrant aliens in SEVIS, so that those  
21 nonimmigrant aliens would retain their F-1 status and continue to pay  
22 tuition to SDIAE and SSU, rather than being removed from the United  
23 States by the Department of Homeland Security.

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OVERT ACTS

In furtherance of the conspiracy, and to accomplish the purpose thereof, at least one of the co-conspirators committed and caused to be committed, within the Southern District of California, at least one of the following overt acts, among others:

46. At some time between September 2005 and May 2006, defendant DENISE MASTRO told an ESL teacher at SDIAE's downtown campus to credit students for attending class for an entire week if they handed in a paper at the end of the week.

47. On a few occasions between September 2005 and March 2009, defendant DENISE MASTRO told an employee of SDIAE and SSU that defendant CARMEN TEPPER did not want students who were paying their tuition to be terminated in SEVIS regardless of whether they were attending class or not.

48. Between approximately 2006 and August 2008, defendant CARMEN TEPPER regularly told an SDIAE DSO that the school's attendance policies were just so the school could have them on paper to send to accreditation bureaus.

49. Between approximately 2006 and August 2008, defendant CARMEN TEPPER repeatedly told an SDIAE DSO to keep students active in SEVIS even though the students were not attending classes enough to maintain a full course of study.

50. On or about June 30, 2006, defendant DENISE MASTRO, did falsely subscribe as true under penalty of perjury, in a Form I-20, that Y.Y. would be required to pursue a full course of study as defined by 8 CFR 214.2(f)(6) at SDIAE.

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1        51. On or about September 5, 2006, defendant DENISE MASTRO, did  
2 falsely subscribe as true under penalty of perjury, in a Form I-20,  
3 that M.S. would be required to pursue a full course of study as  
4 defined by 8 CFR 214.2(f)(6) at SDIAE.

5        52. On or about December 4, 2006, defendant CARMEN TEPPER signed  
6 a Form I-17A indicating that she read, and intended to comply with,  
7 federal regulations related to her duty to report to SEVP when  
8 students at SDIAE's Fashion Valley campus failed to maintain status,  
9 and when students dropped below a full course of study.

10       53. On or about December 4, 2006, defendant DENISE MASTRO signed  
11 a Form I-17A indicating that she read, and intended to comply with,  
12 federal regulations related to her duty to report to SEVP when  
13 students at SDIAE's Fashion Valley campus failed to maintain status,  
14 and when students dropped below a full course of study.

15       54. On or about December 4, 2006, defendant CARMEN TEPPER  
16 falsely stated to a DHS contract investigator that students at SDIAE's  
17 Fashion Valley and La Jolla campuses would be required to maintain  
18 18 weekly instructional hours and those students would not be allowed  
19 to drop below a full course of study.

20       55. On or about January 22, 2007, defendant CARMEN TEPPER signed  
21 a Form I-17A indicating that she read, and intended to comply with,  
22 federal regulations related to her duty to report to SEVP when  
23 students at SDIAE's La Jolla campus failed to maintain status, and  
24 when students dropped below a full course of study.

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1        56. On or about January 22, 2007, defendant DENISE MASTRO signed  
2 a Form I-17A indicating that she read, and intended to comply with,  
3 federal regulations related to her duty to report to SEVP when  
4 students at SDIAE's La Jolla campus failed to maintain status, and  
5 when students dropped below a full course of study.

6        57. On or about September 17, 2007, defendant CARMEN TEPPER  
7 signed a Form I-17A indicating that she read, and intended to comply  
8 with, federal regulations related to her duty to report to SEVP when  
9 students at SSU's Fashion Valley campus failed to maintain status, and  
10 when students dropped below a full course of study.

11        58. On or about September 17, 2007, defendant DENISE MASTRO  
12 signed a Form I-17A indicating that she read, and intended to comply  
13 with, federal regulations related to her duty to report to SEVP when  
14 students at SSU's Fashion Valley campus failed to maintain status, and  
15 when students dropped below a full course of study.

16        59. Between approximately August 2008 and March 2009, defendant  
17 DENISE MASTRO transferred 1-2 students per month from SDIAE's downtown  
18 campus to SDIAE's Pacific Beach campus, knowing their attendance was  
19 poor and therefore they were failing to pursue a full course of study.

20        60. On or about October 8, 2008, defendants CARMEN TEPPER and  
21 DENISE MASTRO were present when one of them, or an employee of SSU,  
22 falsely stated to a DHS contract investigator that at SSU's San Marcos  
23 campus, F-1 students attendance were monitored to assure they are  
24 maintaining a full course of study.

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1       61. On or about October 14, 2008, defendant CARMEN TEPPER signed  
2 a Form I-17A indicating that she read, and intended to comply with,  
3 federal regulations related to her duty to report to SEVP when  
4 students at SSU's San Marcos campus failed to maintain status, and  
5 when students dropped below a full course of study.

6       62. On or about October 14, 2008, defendant DENISE MASTRO signed  
7 a Form I-17A indicating that she read, and intended to comply with,  
8 federal regulations related to her duty to report to SEVP when  
9 students at SSU's San Marcos campus failed to maintain status, and  
10 when students dropped below a full course of study.

11       63. In or about November 2008, defendant DENISE MASTRO  
12 transferred T.D. from SDIAE's downtown campus to SDIAE's Pacific Beach  
13 campus despite T.D.'s failure to pursue a full course of study at the  
14 downtown campus between April 2008 and October 2008.

15       64. Sometime between approximately November 2008 and December 8,  
16 2008, defendant CARMEN TEPPER told SDIAE's Pacific Beach site director  
17 not to terminate T.D.'s Form I-20, despite his failure to maintain a  
18 full course of study.

19       65. On or about December 8, 2008, defendant DENISE MASTRO  
20 transferred T.D. from SDIAE's Pacific Beach campus to SSU's Fashion  
21 Valley campus, despite T.D.'s failure to pursue a full course of study  
22 prior to the transfer.

23       66. Between November 2008 and May 2009, defendants CARMEN TEPPER  
24 and DENISE MASTRO told SDIAE's and SSU's accountant that they did not  
25 want to terminate all at once in SEVIS a large number of students  
26 identified as neither attending class nor paying tuition, because they  
27 did not wish to bring attention to themselves from federal immigration  
28 officials.

1       67. On or about February 9, 2009, defendant DENISE MASTRO, did  
2 falsely subscribe as true under penalty of perjury, in a Form I-20,  
3 that S.P. would be required to pursue a full course of study as  
4 defined by 8 CFR 214.2(f)(6) at SDIAE.

5       68. On or about February 10, 2009, defendant DENISE MASTRO, did  
6 falsely subscribe as true under penalty of perjury, in a Form I-20,  
7 that D.H. would be required to pursue a full course of study as  
8 defined by 8 CFR 214.2(f)(6) at SDIAE.

9       69. On or about February 11, 2009, defendant DENISE MASTRO, did  
10 falsely subscribe as true under penalty of perjury, in a Form I-20,  
11 that N.K. would be required to pursue a full course of study as  
12 defined by 8 CFR 214.2(f)(6) at SDIAE.

13       70. In or about May 2009, defendant DENISE MASTRO told SDIAE's  
14 and SSU's accountant that she was fired because defendant  
15 CARMEN MASTRO was afraid she would report to law enforcement officials  
16 problems with the way the schools were handling information in SEVIS.

17       71. On or about July 27, 2009, defendant DENISE MASTRO, did  
18 falsely subscribe as true under penalty of perjury, in a Form I-20,  
19 that A.B. would be required to pursue a full course of study as  
20 defined by 8 CFR 214.2(f)(6) at SDIAE.

21       72. On or about September 18, 2009, defendant DENISE MASTRO, did  
22 falsely subscribe as true under penalty of perjury, in a Form I-20,  
23 that V.N. would be required to pursue a full course of study as  
24 defined by 8 CFR 214.2(f)(6) at SDIAE.

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1       79. On or about April 23, 2010, defendant DENISE MASTRO, did  
2 falsely subscribe as true under penalty of perjury, in a Form I-20,  
3 that C.L. would be required to pursue a full course of study as  
4 defined by 8 CFR 214.2(f)(6) at SDIAE.

5                               Counts 2-11

6                               (18 U.S.C. § 1546(a))

7       80. On or about the dates listed below, in the Southern District  
8 of California, defendants DENISE MASTRO and CARMEN TEPPER did  
9 knowingly subscribe as true under penalty of perjury, as permitted  
10 under Section 1746 of Title 28, United States Code, a false statement  
11 with respect to a material fact, that is, that the students listed  
12 below would be required to pursue a full course of study as defined  
13 by 8 CFR 214.2(f)(6) at SDIAE, which statement defendants DENISE  
14 MASTRO and CARMEN TEPPER then and there knew was false, in that those  
15 students would not be required to pursue a full course of study as  
16 defined by 8 CFR 214.2(f)(6) at SDIAE, in an application and document  
17 required by the immigration laws and regulations prescribed  
18 thereunder, that is, in a Form I-20, Certificate of Eligibility for  
19 Nonimmigrant (F-1) Student Status - For Academic and Language  
20 Students, in violation of Title 18, United States Code,  
21 Section 1546(a), and *Pinkerton v. United States*, 328 U.S. 640 (1946).

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1       73. On or about December 21, 2009, defendant CARMEN TEPPER was  
2 present when she, or an employee of SDIAE, falsely stated to a  
3 DHS contract investigator that at SDIAE's Point Loma campus, before  
4 a student would be allowed to drop below a full course of study, a  
5 PDSO would update SEVIS indicating that the student had been allowed  
6 to do so.

7       74. On or about January 4, 2010, defendant CARMEN TEPPER signed  
8 a Form I-17A indicating that she read, and intended to comply with,  
9 federal regulations related to her duty to report to SEVP when  
10 students at SDIAE's Point Loma campus failed to maintain status, and  
11 when students dropped below a full course of study.

12       75. On or about January 4, 2010, defendant DENISE MASTRO signed  
13 a Form I-17A indicating that she read, and intended to comply with,  
14 federal regulations related to her duty to report to SEVP when  
15 students at SDIAE's Fashion Valley campus failed to maintain status,  
16 and when students dropped below a full course of study.

17       76. On or about January 24, 2010, defendant DENISE MASTRO, did  
18 falsely subscribe as true under penalty of perjury, in a Form I-20,  
19 that N.P. would be required to pursue a full course of study as  
20 defined by 8 CFR 214.2(f)(6) at SDIAE.

21       77. On or about February 4, 2010, defendant DENISE MASTRO, did  
22 falsely subscribe as true under penalty of perjury, in a Form I-20,  
23 that D.S. would be required to pursue a full course of study as  
24 defined by 8 CFR 214.2(f)(6) at SDIAE.

25       78. On or about March 2, 2010, defendant DENISE MASTRO told  
26 Y.Y., an intern at SDIAE's downtown campus, to falsely tell  
27 immigration officers she was attending classes at SDIAE.

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	<u>COUNT</u>	<u>DATE</u>	<u>STUDENT</u>
1			
2	2	June 30, 2006	Y.Y.
3	3	September 5, 2006	M.S.
4	4	February 9, 2009	S.P.
5	5	February 10, 2009	D.H.
6	6	February 11, 2009	N.K.
7	7	July 27, 2009	A.B.
8	8	September 18, 2009	V.N.
9	9	January 24, 2010	N.P.
10	10	February 4, 2010	D.S.
11	11	April 23, 2010	C.L.

CRIMINAL FORFEITURE ALLEGATIONS

(18 U.S.C. § 982)

81. The allegations contained in Counts 1 through 11 of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures to the United States pursuant to Title 18, United States Code, Section 982(a)(6).

82. Upon conviction of the offenses in violation of Title 18, United States Code, Sections 371 and 1546 set forth in Counts 1 through 11 of this Indictment, the defendants CARMEN TEPPER and TEPPER TECHNOLOGIES, INC., shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(6):

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1 (A) any conveyance, including any vessel, vehicle, or aircraft  
2 used in the commission of the offenses; and

3 (B) any property, real or personal --

4 (i) that constitutes, or is derived from or is traceable to  
5 the proceeds obtained directly or indirectly from the commission of  
6 the offenses; or

7 (ii) that was used to facilitate, or was intended to be used  
8 to facilitate, the commission of the offenses.

9 The property to be forfeited includes, but is not limited to: the  
10 sum of \$3,031,855.00 in United States currency, and all proceeds  
11 traceable thereto, in that such sum of property in the aggregate  
12 constitutes proceeds obtained directly or indirectly from the  
13 commission of the criminal offenses set forth in Counts 1 through 11.  
14 Each of the defendants is jointly and severally liable for the full  
15 amount of the forfeitures.

16 83. If any of the property described above, as a result of any  
17 act or omission of the defendants:

- 18 a. cannot be located upon the exercise of due diligence;  
19 b. has been transferred or sold to, or deposited with, a  
20 third party;  
21 c. has been placed beyond the jurisdiction of the court;  
22 d. has been substantially diminished in value; or  
23 e. has been commingled with other property which cannot  
24 be divided without difficulty;

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1 the United States of America shall be entitled to forfeiture of  
2 substitute property pursuant to Title 21, United States Code,  
3 Section 853(p), as incorporated by Title 18, United States Code,  
4 Section 982(b)(1) and Title 28, United States Code, Section 2461(c).  
5 All pursuant to 18 U.S.C. § 982(a)(6) and 28 U.S.C. § 2461(c).


6 DATED: May 26, 2011.

7 A TRUE BILL:

8   
9 Foreperson

10 LAURA E. DUFFY  
11 United States Attorney

12 By:

  
13 GEORGE V. MANAHAN  
14 Assistant U.S. Attorney  
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